

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 1519 - SB 1391**

March 16, 2023

**SUMMARY OF BILL:** Adds certain exceptions to the prohibition of a member of the General Assembly from bidding on, selling, or offering for sale a service to a state entity or have a financial interest in the bidding, selling, or offering for sale of any service to a state entity.

**FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- Tennessee Code Annotated § 12-4-103(a)(2)(A) prohibits any member of the General Assembly from bidding on, selling, or offering for sale, any service to the state during the tenure of such member's office, or for six months thereafter, or from having a financial interest in any such activities.
- Pursuant to Tenn. Code Ann. § 12-4-103(c), any such violation is a Class E felony.
- The proposed legislation adds exceptions to the prohibition if the financial interest in the bidding, selling, or offering for sale of any service to a state entity is:
  - Held as an investment with a federally chartered bank or state-chartered bank;
  - Held as a share in a mutual fund; or
  - Held as a security in a business enterprise listed on the New York Stock Exchange, the NYSE American, or the Nasdaq and the holding represents less than five percent of the outstanding securities of the business enterprise; and
  - Disclosed pursuant to Tenn. Code Ann. § 2-10-128 or § 8-50-502, as applicable.
- Adding such exceptions will not significantly alter the policies or procedures of the Department of General Services or the Central Procurement Office.
- Any fiscal impact to state government is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/vh